YBL/CS/2022-23/098

October 25, 2022

National Stock Exchange of India Limited
Exchange Plaza,
Plot no. C/1, G Block,
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051
Tel.: 2659 8235/36 8458
NSE Symbol: YESBANK

BSE Limited
Corporate Relations Department
P.J. Towers, Dalal Street
Mumbai – 400 001
Tel.: 2272 8013/15/58/8307
BSE Scrip Code: 532648

Dear Sirs,

Sub.: Transcript of Earnings Call for the Financial Results of the quarter (Q2) and half year ended September 30, 2022

Ref.: Reg. 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please find attached the transcript of the earnings call hosted by YES Bank Limited ("the Bank") for the Financial Results of the quarter (Q2) and half year ended September 30, 2022. The same is made available on the Bank's website within the timeline prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and can be accessed at the following link:

https://www.yesbank.in/pdf?name=q2_fy23_analyst_call_transcript.pdf

You are requested to take the same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,

For **YES BANK LIMITED**

SHIVANAND RAMA SHETTIGAR
Digitally signed by SHIVANAND RAMA SHETTIGAR
Date: 2022.10.25 17:29:15 +05'30'

Shivanand R. Shettigar
Company Secretary

Encl: As above

"YES Bank Limited
Q2 FY2023 Earnings Conference Call"

October 22, 2022

MANAGEMENT: **MR. PRASHANT KUMAR – MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER – YES BANK**
MR. NIRANJAN BANODKAR – CHIEF FINANCIAL OFFICER – YES BANK
MS. ANITA PAI – CHIEF OPERATING OFFICER – YES BANK
MR. RAJAN PENTAL – GLOBAL HEAD – RETAIL BANKING – YES BANK
MR. RAVI THOTA – COUNTRY HEAD – LARGE CORPORATES – YES BANK
MR. AKASH SURI – COUNTRY HEAD – STRESSED ASSETS MANAGEMENT – YES BANK

Moderator: Ladies and gentlemen, good day and welcome to Yes Bank Limited Q2 FY2023 Earnings Conference Call. From the management team we have with us Mr. Prashant Kumar, MD & CEO, Yes Bank, Mr. Niranjan Banodkar, Chief Financial Officer, Mr. Rajan Pental, Global Head, Retail Banking, Ms. Anita Pai, Chief Operating Officer, Mr. Ravi Thota, Country Head, Large Corporates, and Mr. Akash Suri, Country Head, Stressed Assets Management. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Prashant Kumar. Thank you and over to you Sir!

Prashant Kumar: Thank you for joining YES Bank Q2 financial results call. At the outset, I would like to wish you and your family a very happy Diwali and a Prosperous New Year. With me I have the top management team of Yes Bank. I also realized today is earnings heavy day for the banks and in the interest of time, I will be only highlighting the key points for the quarter. As you are aware that bank has signed an investment agreement with two marquee private equity investors Carlyle and Advent to invest ~INR 8900 Crores. We are awaiting regulatory approval and expect to receive the capital infusion in Q3. The bank has chosen JC Flowers a global distressed debt fund to acquire and indentify pool of 48,000 Crores of stressed pool at a bid 11183 which is 135% of the carrying value on the balance sheet. Pursuant to closure in Q3 this year, this is said to be the largest sales of a stressed asset in the domestic market. There have been multiple credit rating upgrade by CRISIL, ICRA, India ratings and CARE. Now the bank has the highest short-term rating at A1 plus and long-term rating has improved to A minus with a positive outlook. Now specifically coming to Q2 financial results, bank has reported an operating profit of 790 Crores which is 34% increase quarter on quarter and 17% increase on Y-o-Y basis on the back of NIM expansion of 20 basis points quarter on quarter and 40 basis points Y-o-Y and improving cost to income ratio to 72.8. Our cost to assets have been stable at 2.6% in spite of inflationary pressures and higher technology spend. Bank has reported a net profit of 153 Crores, which has been largely impacted due to ageing related provisioning requirement during Q2. The banks pre provisioning operating profit to asset is on track. However, any potential delay in expected recoveries may lower the expected FY2023 ROA. Advances have grown by 11% Y-o-Y of which retail has grown by 43%, SME 19%, mid corporate 34 and the corporate there has been a degrowth of 18%. The bank expects the advances growth to track deposit growth. The mix between retail SME, mid corporate and corporate has further improved to 54% retail and SME, 12% mid corporate and 34% corporate. Retail advances are seeing good traction across home loans, vehicle loans, personal loans and the bank is also looking to strengthen its gold loan and educational loan portfolio. New sanction disbursement aggregated to 24,149 Crores during the quarter across the segments and despite decline in net advances on the large corporate, our new business generation continues to be strong with corporate disbursement of more than 3700 Crores. The large repayments in the corporate segment continue in the telecom and infrastructure space with disbursement to better rated corporates.

On the deposit front our CASA ratio continues to improve with potential near term headwinds to target of 35%. In spite of these challenges, our deposit is more than 2 lakh Crores which is 13% growth on Y-o-Y and 4% quarter on quarter on the back of 19% Y-o-Y growth in CASA deposit which is also 4% growth on quarter-on-quarter basis. The bank's focus is on granulizing the liabilities with CASA and retail term deposit now at 62%. Average daily current account balances have grown by 37% Y-o-Y and average daily saving account balances have grown by 29.4% Y-o-Y. On the asset quality front, GNPA ratio has improved to 12.9% against 13.4% last quarter and net NPA ratio has also improved to 3.6% against 4.2% last quarter. The slippages which is 896 Crores continue to be lower quarter on quarter and Y-o-Y. Slippage out of the standard restructured pool are at 303 Crores which primarily consist of one large exposure, 60% of our standard restructured advances are out of moratorium. Reduction in overdue loans within 31 to 90 days bucket is down by ~ 3000 Crores. Resolution momentum continues to be strong with total recoveries and upgrade of 1586 Crores. The provision coverage ratio has improved to 84% and the provision coverage ratio of the security receipt also stands at 85%. Bank's CET ratio is standard at 11.7% and total capital adequacy at 17.3%. The risk weighted asset to total asset is improving and is currently at 71.2%. We have also added 434 employees during the quarter. All of the above points demonstrate a strong momentum in the buildup of good quality franchise. With this, I want to thank all once again for taking the time out for joining this call and wish all of you and your family good health, prosperity and happy Diwali. We can now open the floor for your questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of MB Mahesh from Kotak Securities. Please go ahead.

MB Mahesh: Good afternoon Sir. Couple of questions just to clarify what is now the timeline for the JC Flowers deal to get completed and what specs are there. As for the Carlyle and Advent capital infusion what more specs are needed.

Prashant Kumar: In case of JC Flowers I think the timeline would be somewhere the third week of November and in case of equity raise, only RBI approval is awaited.

MB Mahesh: And when the transfer happens of JC Flowers where do you see after that the gross NPA to come in given the current book that you have.

Prashant Kumar: Our gross NPA would be around 2% and net NPA would be around 1%.

MB Mahesh: There will be no provisions that was needed at the time of transfer.

Prashant Kumar: Right.

MB Mahesh: If you just kind of assume that based on the current progress of where the resolutions are happening what is your expectation of credit cost for next year?

Prashant Kumar: Credit cost for next year you are saying?

MB Mahesh: Next year yes because there is combination with aging related NPA as well as resolution that could potentially happen off the book where do you see credit cost heading for next tenure.

Niranjan Banodkar: So Mahesh credit cost will be a function of also some of the recoveries that we will come at a net level we have had non tax provision to assets that are about 40 to 50 basis points I think we will possibly see it remain in the 50 to 60 basis points range.

MB Mahesh: Okay so is it fair to assume that now that you have addressed asset quality and capital issues now it is just a question of your ability to improve the margins that is clearly visible.

Prashant Kumar: The ability to…

MB Mahesh: Improve margins that is the only last final hurdle that is now left.

Prashant Kumar: So I would not be saying hurdle. I would be saying this is the direction in which we are moving and after taking care of all of the issues I think we are on the right track.

MB Mahesh: Perfect Sir. Thanks a lot.

Moderator: Thank you. The next question is from the line of Mahrukh Adajania from Nuvama. Please go ahead.

Mahrukh Adajania: Hello Sir congratulations. Sir there was some disturbance in my line. Could you share the credit cost guidance for next year or this year after the transfer. Sorry if all things go well and as per the recovery as per your assumption that is why I am asking again apologies.

Niranjan Banodkar: No Mahrukh we are not giving any guidance because clearly there are moving parts what we indicated is that of 40 to 50 basis point is what was the provision credit cost that we have. Non tax provision to assets as a ratio that is prevailing right now. Our expectation is that we should broadly be in the same range maybe 50 to 60 basis points next year that is our expectation, but please do not take that as a guidance because that is something also we look at the start of the next financial year.

Mahrukh Adajania: Got it and Sir now some questions on operations. You have also seen 20 basis point Q-o-Q margin expansion congratulations for that first, but how sustainable are these margins say not only the over next four to five quarters because that immediate outlook is essential for anyone to take a bigger call on the sector not only on your type of sector others as well and in general how do you see the sector loan growth and your loan growth sustainable because it has defied global trend so how long will be the defiance is my next question.

Prashant Kumar: So Mahrukh on the loan growth I think what we are seeing the industry loan growth around 18% and you are rightly saying that this defied the global environment and we also believe that if the financial institution started pricing the risk properly and I think the ultimate objective also in terms of the monetary policy is also to have a control on the loan growth and I think then only the objectives would be achieved so I think over a period of time I think we would see this loan growth coming down but at least as and as a bank we believe this is a time where instead of running after the top line growth, we need to optimize balance sheet and we see that we do the transaction at the right level so I think for us loan growth has been 11%, but we are expecting that we would be in a position to be around 15% loan growth by the year end, but at the same time there are two things we are not going to compromise on quality and we would not do the transactions at a rate which does not make a commercial sense.

Mahrukh Adajania: Got it Sir. In terms of your own margin any outlook?

Prashant Kumar: So currently we are at 2.6% and I think the way I have tried to articulate in terms of our strategy, I would not be seeing like margins would continue to improve 20 basis point every quarter in the current situation because of the issues in terms of rising interest rate scenario, but I think in terms of good control on the slippage of the loans and also in terms of taking a conscious call of doing the transaction at the right pricing, we would be definitely seeing improvement on the NIMs expansion going further, but to that extent which we have seen in the current quarter.

Mahrukh Adajania: Got is Sir. Sir but just in terms of deposit competition likely to get more aggressive in the second half how will deposit mobilization pan out because already the larger banks have not yet increased rates and some smaller banks have, so if larger banks start increasing rates rapidly how does deposit competition pan out and then that impacts everyone's growth.

Prashant Kumar: I completely agree with you partially that deposit growth is something which everybody is aspiring but I think what we have seen that even the larger banks have increased the rates significantly, but definitely since all the banks are increasing rates and there is a tightness in the liquidity, this would continue to be a struggle, but I think what we are seeing is that there has been a Y-o-Y growth of 11% on the deposit side and we have been able to reduce our cost of deposit by 10 basis point so I think we are quite confident that with the kind of customer connect, the customer service and the products which we offer in the market, I think we would continue to increase our deposits with a control on the cost, but yes this will be in a very, very challenging environment.

Mahrukh Adajania: Okay Sir thank you so much.

Moderator: Thank you. The next question is from the line of Saurabh from JP Morgan Chase. Please go ahead.

Saurabh: Sir few questions. First is if there is a delay in resolution could you just give some colour on what is your move around the ADAG account. Second is from your deposit and we have seen 14% quarter on quarter current account growth and 2% DTO savings if you can talk about that as well and third question Sir is on NIMs so fair to say that your incremental margin which is being generated should be hopefully closer to 3.2% to 3.5% mark versus the 2.6% that you are today. Those are the three questions.

Prashant Kumar: So I think to your first question in terms of delay in recovery because there is always a timing issue okay some of the recoveries if we are expecting within the current financial year that is spilled over to the first quarter or second quarter of next financial year, so we were talking about that kind of thing and if those expected recovery happen as per our estimate in the current financial year then there is no issue, but there are always uncertainties around it.

Saurabh: One large account or few accounts.

Prashant Kumar: Mainly one large account but I think it is a moving part because there have been numbers of levels at which the resolutions and the recovery has happened and sometimes there have been delays in terms of the legal issue and in terms of actually money getting into your balance sheet so we were only talking about this but if all the expected recovery happens as per expectation then there is no issue, but definitely this is one area where you cannot be 100% sure that is why we were talking about that part. The second question in terms of the NIMs, so I think NIMs we would continue to work in terms of expanding the NIMs but reaching to 3.2 or 3.5 is still I think some time away and in the current situation where because of the rising interest rates scenario I think we continue scaling, but we would be improving our NIM quarter-on-quarter.

Saurabh: Sir I was asking the incremental business generating at the bank what will be the incremental margin on the business that you are generating.

Niranjan Banodkar: So Saurabh if you look at actually our net interest margins today and because I think this will require a little bit of a context so there is let us say the drag that we get from the NPA. If you actually adjust for it and I am just giving a number where if you look at a yield on advances of about 8.5% you adjust for the NPA actually the standard advances book is already operating at about 9.5% right so the loan spread is that we are actually running on the stock of the performing book and what we are also doing incrementally is actually quite commensurate so we have not seen a significant differential. What we are seeing is that our drag of NPA is coming down. In the recent times we have also seen deposit rates also pick up a little bit in the recent times so incrementally I am matching the let us say the loan spread on the stock of book let us say the run rate for the last nine to 12 months actually we were expanding that which has broadly compressed at this point in time but our endeavour is that we will want that to continue to expand as we go along tiding over this current I would say tight liquidity situation.

Saurabh: Okay so fair to say that once the capital raise come between the capital raise and the rate that you will get at least on the borrowing side that will be the bigger driver?

Niranjan Banodkar: Sorry Saurabh I missed the last question. You are saying after the capital rate.

Saurabh: Any upgrade that you get on your borrowing, reduction you get on the borrowing cost will be the driver of the incremental assets?

Niranjan Banodkar: No so it is going to be a function of continuing to improve also the mix of your deposits so for example for the last let us say two quarters we are at about 30% to 31% of CASA ratio. I think there is no magic pill here. I think it is a very execution focused work of getting the 31% improved to 40% plus number one and number two is that at the end of the day how do we see the loan spreads actually expanding as I mentioned earlier that our loan spreads were actually expanding is only briefly given the way the rates have reacted immediately. If we have kind of seen some amount of I would say slight contraction in the loan spreads but we expect that should start expanding again because we will want to keep expanding the loan spreads as we go along from here on. The only point I made is that right we are going through a little bit of an aberration in the external environment because of some of the liquidity tightness and the way rates have actually moved up in a very short period of time.

Saurabh: Lastly just on this 14% quarter-on-quarter current account can you explain that?

Prashant Kumar: No I think the current account is one where I think we are continuously working and we would be seeing either the similar or better growth in the current account balances because if you have seen even our average current account balances are doing very well and the kind of the customers in terms of the solutions which we provide, I think we could continue to get better current account balances.

Saurabh: So there is no one off in this current account?

Prashant Kumar: No one off. I think this is a very, very sustained I think the momentum for us, which would continue to improve.

Niranjan Banodkar: In fact if you also look at let us say the average balances Saurabh we are talking about actually daily average balances even those have grown by 38% on a year-on-year basis.

Saurabh: Great. Thank you.

Moderator: Thank you. The next question is from the line of Rahul Jain from Goldman Sachs. Please go ahead.

Rahul: Thanks this is Rahul here and good evening everyone. A couple of question, first is, is it possible to know the retail deposit mix within the term deposits that we have in case I missed out?

Niranjan Banodkar: So within the term deposits less than INR 2 Crores book that we have is about 31% Rahul.

Rahul: Understood got it thanks. In the borrowing cost that we have on an incremental basis due to the ratings upgrade have we seen any potential benefit playing out and even on the stock of borrowings, etc., or the whole sale deposits if the benefit already has not played out and by when do you expect that benefit to start playing out?

Niranjan Banodkar: Rahul in terms of the borrowing I think we have to look at the progress and the improvements that we have seen in the ratings and also a very significant I would say liquidity tightening and increase in interest rates. I think the pace at which I would say the external environment has actually evolved has been very fast right so there is a very difficult one on one correlation to establish in terms of how I can demonstrate an increase in the space. What we can definitely see is that our deposit growth ability to access deposits continues to improve. What we are trying to focus on is relative deposit, the deposit rates relative to competition. I think we are quite confident about that. Yes the liquidity has tightened, but I think we will continue to work on that. Our access let us say to long term lines let us say for refinancing for example continues to be quite strong. In fact let us say in September quarter we have looked at refinancing and borrowings in the range of about INR 3500 Crores and we are talking about three to four money as well where we have actually raised so what I can definitely say is there is no constraint that we have seen. We continue to see improving pricing relative to what we were about six to 12 months back but I think you also have to juxtapose the recent I would say increase in rates and the liquidity tightening position.

Rahul: Got it.

Prashant Kumar: Normally the advantage of the rating upgrade in the pricing always happens when there is a normal situation on the liquidity or when the situation would move towards the normal liquidity. I think in the current times it is more about the access to liquidity rather than the pricing.

Rahul: Understood. That is helpful, just two small questions. One is the tax rate currently stays at about 25% odd? Do we expect to get benefit from the deferred tax asset at some stage, which will potentially bring down the tax rates?

Niranjan Banodkar: So Rahul the way the accounting will happen is that we will continue to report tax at 25%. The benefit that you will see is that as and when we have profits, those will start creating directly into my networth rather than getting adjusted CET1 because the DTA will start getting released. You are not going to see in our reported earnings. Reported earnings will continue to have a provision for tax at 25% but the accretion to our CET1 will actually be more than what we see at a PAT level.

Rahul: Understood.

Niranjan Banodkar: In a simplistic way if we are looking at let us say PAT of 100 what I am accreting effectively to let us say to the CET1 is going to be 110% is actually going to be 110% and not 100.

Rahul: That is already happening as with speak?

Niranjan Banodkar: That is already happening as we speak that is correct.

Rahul: Understood. Sir last question is just a view on the saving rate because I think a large public sector bank or at least both SBI and Canara Bank have raised the rates on saving deposits in certain buckets of deposits ticket sizes any thought that you all have about what your bank terms will be?

Prashant Kumar: No I think this is the volume situation okay where like the large public sector banks have started increasing the rates so I think very, very recently. It also shows very, very tight liquidity provision into the market but I think when the function in terms of getting the liquidity is not always in terms of pricing. It is always also in terms of the customer connect and the customer service okay but yes there are absolutely headwinds in terms of getting the liquidity at the right price but at the same time we also need to appreciate that this is something which is very, very critical for the banking industry for any bank okay. Everybody was fine and we are also moving in the right direction but I think the whole issue would be in terms of the right mix between the current saving and the term deposit so if you are able to provide the solutions to your customers then I think getting a good mix from the current account side that solution is there.

Rahul: Understood got it. Sir thank you so much and wish you and your team a very Happy Diwali.

Moderator: Thank you. The next question is from the line of Jai Mundhra from B&K Securities India Private Limited. Please go ahead.

Jai Mundhra: Good evening. Sir regarding the JC Flowers deal wherein you also intend to acquire up to 20% equity stake there what could be the quantum and what could be the implication on your CET1?

Prashant Kumar: I think that 20% would translate into something around INR 300 Crores to INR 350 Crores because it also depends on actual when the portfolio would be transferred. It would be net of the recoveries made subsequent to March 31, 2022 so I think the capital which would be required from our side when we will go for 19.99% would be somewhere between INR 300 Crores to INR 350 Crores which is not having any significant or minimal impact on our capital.

Jai Mundhra: That is current 13 to 14 basis points.

Prashant Kumar: Yes.

Jai Mundhra: The second question is on your guidance tracker so you have said that PPOP to assets is mostly on track that number if we calculate is around 90 to 95 basis points or less than 100 basis points of asset so just wanted to check what is the outlook on that metrics PPOP to assets?

Niranjan Banodkar: PPOP to assets our expectation is that we should see at least about 10 to 15 basis points more expansion as we kind of go along. If I actually look at let us say the DuPont for the bank excluding let us say the NPA portfolio, the broader structure is we have about a 1.2%

operating profits on the ex NPA book and actually a provision cost is about let us say 15 basis points on those assets. We actually are running about 85 basis points of let us say ROA actually on the good bank. Of course there is a drag that is coming from the legacy book so the point is on the NIM expansion when we look at fees to assets, operating cost like we have been guiding I think we believe we have capped out at 2.6% assets I think about 1% to 1.1% at the full bank level is where we will basically be for this particular financial year.

Jai Mundhra: Even for your medium-term target when you intend to reach ROA of 1% to 1.5% how should the PPOP look like that is the question?

Niranjan Banodkar: If you look at a long term target the net interest margins of 2.6%. Clearly our expectation is that we should move into a NIM trajectory of 3.25% to 3.5% from a medium-term standpoint. When we look at Fees to assets which is ballpark at about 1% our expectation is that we should move to about 1.2% to 1.3% fees to assets. That kind of takes to revenue to assets of about anywhere between 4.5% to 4.75%. If I take cost to asset let us say because some efficiency will also start building in after having capped out at 2.6% so cost to income ratio assets at 2.5 essentially takes our PPOP to assets at about 2% so I think that is really what our expectation is in terms of building out but this is not a very near term thought process. I think it is a very execution focus quarter-on-quarter where we will have to keep improving on our margins, keeping improving on our cross-sell fees and continue to keep improving our cost of acquisitions and running the business to ensure that we are efficient on cost as well so I think that is the combination that will play out on our PPOP to assets.

Jai Mundhra: Right sure and then lastly if you can disclose the sector of the exposure that you said that which has slipped out of restructuring book and this is a bit chunky that would be it Sir?

Prashant Kumar: So there was only one account on the real estate side okay.

Jai Mundhra: Sure Sir. Thank you so much Sir and all the best.

Moderator: Thank you. The next question is from the line of Srinivas from Individual Investor. Please go ahead.

Srinivas: My question is in the last one year Yes Bank has gone on a branch expansion spree so now the rising interest rate environment is it giving you the envisage level of growth and business or those branches are not able to generate the required operations or profits? Is that the reason for increasing the opex?

Rajan Pental: So as regards to our expansion plan we have opened close to 25 branches in this year. The selection of the location and placing of the branches are strategically done to see that it is in the vicinity of a high deposit center as well as a credit center. From that extent all of these branches are actually doing reasonably well and as per the plan and we are actually able to see a good traction on the overall deposits and the customer base getting created in and around these branches.

Srinivas: But on the advances side are these branches contributing?

Rajan Pental: As I said most of these branches we are not only going with the deposit center we are also evaluating a good credit market in and around that market and hence on day one these branches are operational on both deposits as well as on the asset generation for SME as well as on B rating and the size of these branches typically are actually not very large branches but in high potential areas which can give us enough and more customers

Srinivas: Sir my second question is actually there is significant interest in the provisioning in this quarter so is it because of slippages have reduced then is it entirely because of the ageing related provisioning? What is the mix between aging related provisioning and slippage related provisioning in this quarter?

Niranjan Banodkar: So just two accounts have contributed to about INR 740 Crores of ageing related provisioning. Off course there are more but I am just saying at the headline level INR 740 Crores. If I look at our net provisioning that we have had that is about INR 570 Crores so clearly more than 100% is actually coming in from the ageing related. I think that is all getting neutralized.

Prashant Kumar: But if you see on the gross basis the slippage provisioning is only 10% of the total provision.

Srinivas: As a sequel to this query next quarter because entire NPA is going to be moving out from Yes Bank can we assume that the provisioning will be significantly lower in Q3?

Prashant Kumar: I would not be saying this because the regulations applicable to NPAs and the regulation applicable to security receipts they remain the same so it is only like 15% cash would come and for the remaining 85% of the net NPA, which would be converted into the security receipts the provision implications would continue to be the same.

Moderator: Thank you very much. I now hand the conference over to Mr. Prashant Kumar for closing comments.

Prashant Kumar: Thank you once again everyone and wish you and your family a very Happy Diwali.

Moderator: Thank you very much. On behalf of YES Bank Limited that concludes this conference. Thank you for joining us. You may now disconnect your lines. Thank you.